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FM AMEMBASSY MANAGUA  
TO RUEHRC/DEPT OF AGRICULTURE WASHINGTON DC PRIORITY  
RUEHC/SECSTATE WASHDC PRIORITY 5115  
INFO RUEHZA/WHA CENTRAL AMERICAN COLLECTIVE PRIORITY  
RUEHDG/AMEMBASSY SANTO DOMINGO PRIORITY 0492  
RUEHLMC/MILLENNIUM CHALLENGE CORP WASHDC PRIORITY

UNCLAS MANAGUA 000252

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USTR FOR SHARON BOMER  
USDA/FAS FOR RON LORD  
EB/TPP/ABT/ATP FOR PATRICK HUDAK  
SAN JOSE FOR AGATT NISHIURA

E.O. 12958: N/A

TAGS: [EAGR](#) [ETRD](#) [NU](#)

SUBJECT: IMPLEMENTATION OF FOOD SECURITY AND RURAL  
INVESTMENT ACT PROVISIONS ON RAW SUGAR TARIFF RATE QUOTA:  
NICARAGUA WILL SHIP ITS 2005/2006 SUGAR QUOTA

REF: SECSTATE 14374

¶1. (U) Embassy contacted Jose de Jesus Bermudez, Director of Treaty Implementation in the Ministry of Development, Industry and Trade (MIFIC), who is the official responsible for signing the CQE's, to request a written response to reftel questions. Bermudez responded by email that he had been in touch with Mario Amador of the National Sugar Producers Committee (CNPA), who explained that the sugar producers to whom the quota had been allocated were in negotiations with potential purchasers to ship the remaining 889.27 short tons before September of this year, and assured us that Nicaragua will be exporting the totality of its assigned quota, as well as the entire additional quota equivalent to 6,135.67 short tons during the time limit. Embassy forwarded the Bermudez communication EB/TPP/ABT/ATP. We also spoke to staff of the CNPA, who assured us that they will use the entire remaining quota this year.

¶2. (U) Bermudez subsequently faxed Econ Counselor a letter dated February 1 which reiterated Nicaragua's commitment to ship the entire quota and provided further details of upcoming shipments and the allocation of the additional quota. We have faxed the letter and allocation sheet to USDA/FAS in Washington. Informal Embassy translation follows:

¶3. (U) Begin text:  
"I refer to the U.S. sugar quota allocation for the period 2005-2006, including additional allocation.

With reference to the remaining quota for the 2005-2006 period, equivalent to 889.27 short tons, I inform you that the beneficiary mills now have the embarcations ready in the port of Corinto for export to the United States.

In relation to the additional TRQ of 6,135.67 short tons, I also confirm that they will be utilized in their entirety, and I am forwarding you the distribution of the quota among the national sugar producers which was sent to this office by the National Sugar Producers Committee (CNPA). We will shortly send you the information required for issuance of the CQEs.

We reiterate the capacity of the National Sugar Industry to fill any additional quota which may be assigned to Nicaragua as a country.

Signed,  
Jesus Bermudez

Director, Treaty Application.  
Ministry of Development, Industry and Trade"  
End text.

14. (U) According to the information provided by Bermudez, the second allocation of sugar TRQs will be assigned as follows: 3,180.56 short tons to Nicaragua Sugar Estates Ltd/Ingenio San Antonio, 3,112.15 short tons (comprising 2,222.88 short tons from the additional allocation and 889.27 short tons remaining from the first distribution) to Monte Rosa, S.A./Ingenio Monte Rosa; 441.65 short tons to CASUR, S.A./Ingenio Benjamin Zeledon; and 290.50 short tons to NAVINIC/Ingenio Montelimar. Port of loading for all shipments will be Corinto.

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